

# Exhibit M

snapshot


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SpartacusDAO Dissolution

Closed


Spartacus Community by 0x51Ed...1dD9

Core

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TLDR:

SpartacusDAO has spent months trying to work with Spartacus (Dev) to deliver value to SPA token holders - buybacks, inverse bonds, LBPs, and yield farming with the treasury have all been suggested, but no progress has been made by Spartacus (Dev). Given the lack of progress, the DAO has decided to hold a vote to wind down the project, allowing SPA holders to choose to ragequit at approximate value of 68.95 DAI + 6.65 WFTM per SPA token or transition into token holders for SPEX/Spartacadabra. Part of the proposal allows for dead-wallet SPA to be used to fund Dev expenses for SPEX and Spartacadabra (conservatively estimated to be \$4.5mn).

We view this as a fair outcome for both SPA holders, Spartacus, and future Spartacus projects. SPA holders get to exit the project at the fair backing value per token, while Spartacus as a dev gets a healthy runway to fund future development and deliver value to holders who choose to stay invested in the Spartacus ecosystem.

Information

|               |   |
|---------------|---|
| Strategie(s)  |  |
| IPFS          | #bafkrei <a href="#">↗</a>  |
| Voting system | Single choice voting  |
| Start date    | Sep 22, 2022, 7:00 AM   |
| End date      | Sep 29, 2022, 7:00 AM   |
| Snapshot      | 47,481,566 <a href="#">↗</a>  |

Results

|                            |           |            |
|----------------------------|-----------|------------|
| Yes - Implement thi...     | 119K sSPA | 100%       |
| <div></div>                |           |            |
| No - Do not implement t... | 0 sSPA    | 0%         |
| <div></div>                |           |            |
| Quorum                     | ✓         | 119K / 85K |
| <div></div>                |           |            |

Source:

<https://snapshot.org/#/spacommunity.eth/proposal/0x4996f5b5d6e33ed34638ffcc4dda7d20557b11193260b773eae133c689b63a09>

## Background

After negligible communication and a glacial pace of development on SpartacusDAO, it was hoped that the overwhelming support of community proposal **#Defend Sparta** would result in positive steps being taken in order to defend the value of SPA tokens. Unfortunately those calls have been ignored by Spartacus and the rest of the development team.

Recent updates have shown that the priority of the dev team is towards Spartacadabra, Spartacus Exchange (SPEX) and other derivative forked projects. SpartacusDAO as a protocol has received no updates since the first redemption event in April 2022. None of the additional projects created or proposed by Spartacus have had any relevant impact to SPA token holders.

The team's refusal to implement previous community proposal (**#Defend Sparta**) shows clear misalignment between the SpartacusDAO Team and DAO itself. We firmly believe that it is best for both Community and Team to end this stalemate and allow everyone to choose their own path forward.

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## Objective

This proposal will serve as a vote of no confidence in the current leadership of SpartacusDAO, attempting to align goals of Team and Community in event of dissolution of SpartacusDAO.

### Quorum & Supermajority requirements

As this represents a material change to the way the Spartacus ecosystem operates this proposal will need both a supermajority of 75% and a quorum 20% of circulating SPA to pass (85k at the time of writing). Previous quorums have been 1k and 9k SPA respectively.

As this requires a supermajority and higher than ever quorum to pass it is expected that the Spartacus Team will honor the results of this snapshot proposal.

## High Level Overview

- Provide required definitions, formulas and current values
- Specify detailed steps required to implement dissolution in an orderly manner with minimal impact to other Spartacus projects.
- Present data-driven forecast of expected outcomes of this proposal.

## Key Points

- Dissolve SpartacusDAO while keeping Spartacabra and Spex active.
- Allow holders to choose between redeeming SPA for treasury assets or converting it to SPEX tokens.
- Convert not redeemed assets into SPEX/Spartacabra development fund.

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### **Treasury Overview (as of Sep 13th)**

Treasury 0x8CFA87aD11e69E071c40D58d2d1a01F862aE01a8

Farming wallet 0xebD00BD79F6E3D1a09f688c96dbD908006E12e2e

~13.8m DAI in treasury and farming wallet

~9.8m DAI in SPA-DAI liquidity

~2.5m FTM (~\$650k) in treasury and farming wallet

~2m DAI+USDC liquidity on Curve in farming wallet

~2.1m in various stable pools on SPEX in farming wallet

~400k in USDC-FTM liquidity on SPEX in farming wallet

**Total asset value : \$28,789,119**

**Total stable assets value : \$28,058,590**

**Total volatile assets value : \$730,529**

*Note that some assets are volatile and/or in liquidity pools so this value might change.*

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### **Circulating Supply (as of Sep 13th)**

Circulating Supply will be used to calculate RV(Redemption Value) and is defined as following formula:

**Circulating Supply = Total Supply - SPA without claim**

SPA in following wallets is to be considered without claim and not circulating.

DAO wallet is owned by DAO aka all current holders and DAO won't be existing anymore after this proposal is implemented.

Tokens in burn address and those mistakenly sent to token contract are not retrievable and belong to no one.

DAO wallet

0x3292D7d72Ea46cb67186Cd7131fe47333F7c7008

49,129 wsSPA with current index of 3.935 converts to 193,325 SPA

SPA Token Contract

0x5602df4a94eb6c680190accfa2a475621e0ddbdc

9,771 SPA

Burn address

0x00dead

544,906 SPA

SPA-DAI liquidity

0xfa5a5f0bc990be1d095c5385fff6516f6e03c0a7

386,255 SPA

**Total Supply : 1,541,259**

**Supply without claim : 1,134,259**

**Circulating Supply : 406,935**

*Note that Circulating Supply is volatile and changes with each buy/sell transaction.*

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## Redemption Value Formula

Redemption Value is the amount of assets that holders will be able to receive for 1 SPA during the Redemption Period and will be calculated using the following formula:

$$\text{Redemption Value} = (\text{Total stable assets value} / \text{Circulating Supply}) + (\text{Total amount of FTM} / \text{Circulating Supply})$$

Just like during first redemption those assets will be paid in a mix of DAI and WFTM.

For example as of Sep 13th:

Total stable assets value : \$28,058,590

Total amount of FTM : 2,705,662

Circulating Supply : 406,935

$28,058,590 / 406,935 = \sim 68.95$  DAI

$2,705,662 / 406,935 = \sim 6.65$  WFTM

**Redemption Value = 68.95 DAI + 6.65 WFTM**

*Note that Redemption Value is based on circulating supply and treasury value and both those numbers are volatile and change with each buy/sell transaction.*

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## Proposal

SpartacusDAO can not function properly with the Team working solely on their other projects and ignoring or outright refusing to follow DAO governance proposals. On the other hand, the Team's other projects can not succeed with a disgruntled community that rightfully demands to be listened to. Current path chosen by the Team is happening despite active and near-unanimous community disapproval as can be seen in votes on the #Sparta Defend proposal and by reading Discord chats.

This is a stalemate situation where everyone loses.

To resolve this issue we think dissolution of SpartacusDAO is required. Currently SPA is just a token backed by treasury assets with no direct development and no roadmap. All development is focused on SPEX and Spartacabra so any potential upside from this work resides in their respective tokens. All holders should be presented with a choice to redeem their SPA for share of treasury assets or convert SPA to SPEX/CHARM (SPEX would be probably better choice due to not being live and not having set tokenomics yet) if they wish to keep their investment with Spartacus Team.

In previous communications Spartacus hinted that redemption is a last resort and would mean the end of Spartacabra and Spex. While we think the current situation definitely calls for a last resort solution, we do not agree that it will require the wind-down of Spartacabra or Spex. Please refer to the next chapter of this document for detailed explanation.

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If the current proposal passes, the following steps should be implemented by the Team without delay.

- Instantly after vote ends SPA-DAI liquidity should be removed from Spookyswap to prevent arbitrage and make circulating supply stable.
- Final calculation of Redemption Value should be provided to community in #announcements channel on SpartacusDAO discord server where it can be verified by community members.
- Since the redemption contract and UI can be reused from previous redemption not longer than 7 days after vote passing this contract and UI should go live and begin Redemption Period.
- For next 3 months redemption contract should be open for anyone to swap their SPA for share of treasury assets at rate defined by Redemption Value Formula without any additional discounts. Over this period the team is obligated to monitor the amount of assets available in the redemption contract and make sure at least \$1m worth of assets are available for claimants at all times.
- After 3 months of redemption period all remaining assets are to be considered Development Fund for SPEX and Spartacabra and any future decisions considering those assets can be made by Spartacus Team.
- Whenever SPEX token goes live remaining SPA holders that opted out of redemption should be able to exchange their SPA tokens to SPEX at a fair rate decided by Team.

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## Expected outcome of implementing this proposal

Many token holders didn't redeem during the first redemption. Some of them came back later to sell or are still waiting for a chance to exit at a fair price but a significant number of wallets holding SPA were not active for many months prior to the first redemption. Some lose keys, some forget about their wallets, while others rage quit crypto and never come back. This supply is unlikely to partake in the redemption acting as effectively dead supply, but how much SPA sits in those wallets?

To provide insights into the most probable outcome of this proposal one community member examined blockchain activity of all SPA, sSPA and wsSPA holders using Debank and Ftmscan.

For each wallet holding SPA/sSPA/wsSPA following data points were acquired :

date of last activity (last outgoing transaction on any chain supported by Debank)

amount of SPA in wallet ( $\text{SPA} + \text{sSPA} + (\text{wsSPA} * \text{INDEX})$ )

Although choosing a cutoff date for what is considered dead wallet is somewhat arbitrary the date of last redemption has been chosen as a reasonable candidate. Those who didn't redeem last time and have been inactive on chain for over 5 months have been considered as likely candidates to not partake in this redemption option.

Using the start of redemption (11th April) as the cutoff date we get 66,221 SPA sitting in wallets that are not active and most likely won't redeem. This is 16.28% of circulating supply.

16.28% of treasury value is ~\$4.7m.

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What DAO funds are currently used to support Spartacabra and SPEX?

~2m USDC+DAI in LAMBDA liquidity is supporting Spartacabra and

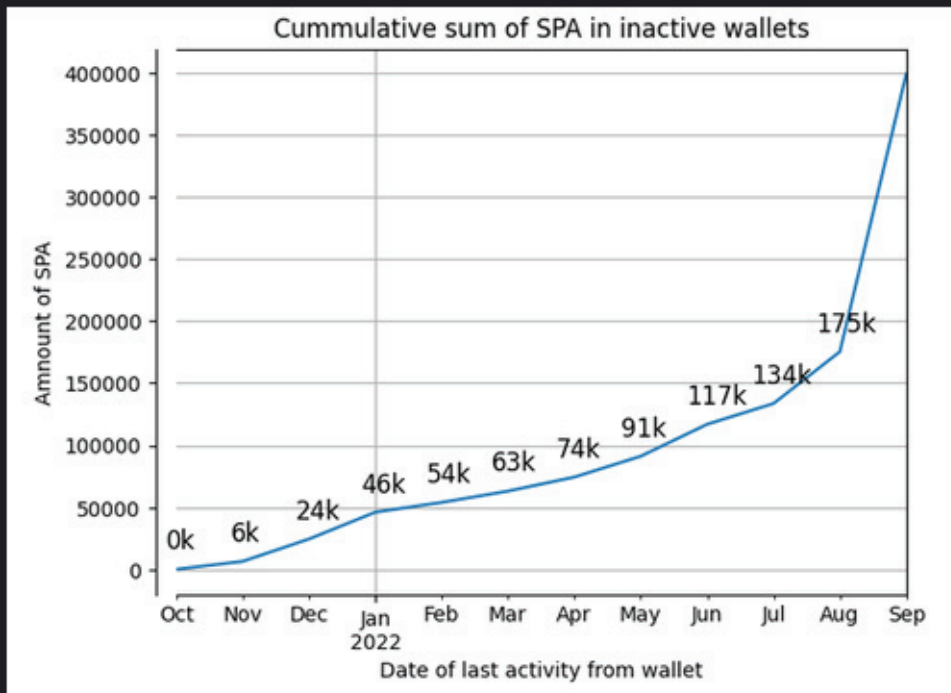
~2.5m in various pools supporting Spex.

Total amount of assets ~4.5m.

**\*\***What this calculation shows is that all active SPA holders can redeem their share of treasury assets without interrupting any of Spartacabra and Spex related operations.

It seems to be the rare case where you can have your cake and eat it too.**\*\***

*The actual amount of SPA redeeming may be higher or lower than that stated.*



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If anyone wants to look up their personal favorite cutoff date check out the chart above.

For example 46k SPA belongs to wallets that didn't send any transaction on any Debank supported chain since the end of January 2022.

## **Conclusion**

In summary the token holders have had enough. We now feel that there is no longer support for the developer known as Spartacus to operate SpartacusDAO. We offer this snapshot to prove that this is true with a simple yes/no proposal to the above. We hope and expect that Spartacus will abide by the results of the snapshot in keeping with the promises of DAO governance, not just for the token-holders but to prove that he is a man of integrity who can be trusted to do what's right and just.

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